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Alberta College of Art

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Annual Report
1987-88

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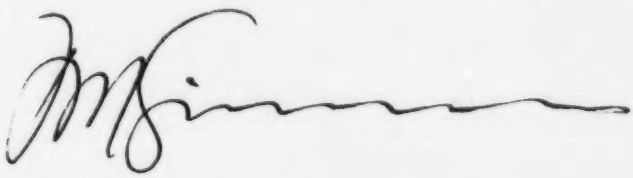
Letter of Transmittal

The Honourable John Gogo
Minister of Advanced Education
Edmonton, Alberta

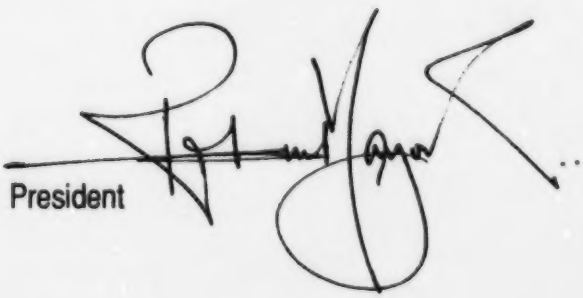
Dear Mr. Gogo:

On Behalf of the Board of Governors of the Alberta College of Art, and in accordance with the provisions of the Colleges Act, I am pleased to submit the Annual Report of the Alberta College of Art for the year Ending June 30, 1988

Yours truly,



Chairman of the Board of Governors



President

President's Message

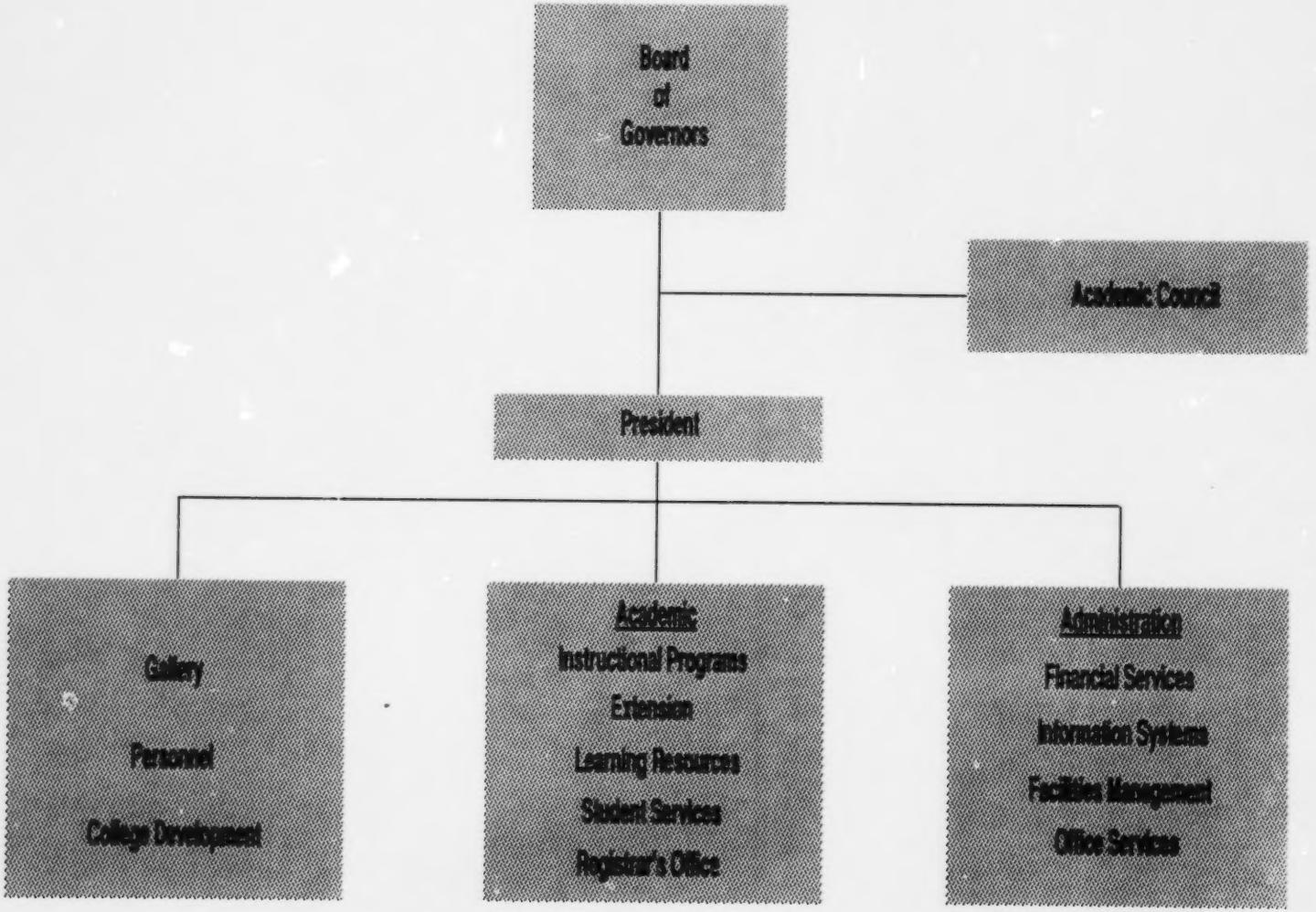
A new President, a new Academic Dean and a major administrative re-organization; any one of these has the potential to create a year of insecurity and trauma, all three together virtually guarantee it. That this did not occur to any great degree is to the credit of a Board of Governors, administration, staff, faculty, and student body who decided that it was time to get on with the business at hand, namely the provision of the best program of visual art education available anywhere in Canada. And this, more than anything else, is what happened. Of course changes were made, plans were formulated, structures were reconstituted and programs were evaluated. This all occurred however, within a climate of expectation and of hope, not one of resistance or struggle.

Probably more than anything else, these two words, expectation and hope, encapsulate the environment of the College during this year. It is recognized by all that there is much to be accomplished in a short period of time, new challenges, new imperatives, but it seems also that there is an institutional will to get it done.

There have also been disappointments, primary among these being the recognition that budgetary constraints, particularly in the capital area, have necessitated the postponement of essential programmatic and systems development. The College also recognizes its responsibility to present a persuasive argument in favour of its needs, both to public and to private funding sources and to this end has already developed the necessary supportive material.

The future for the Alberta College of Art is unquestionably a bright one, with everyone, from students to Board of Governors, committed to making it happen. With appropriate support, it will.

Organizational Chart



Comparison of Credit Program Enrollment

Year	Fall			Winter / Spring			Total FTE
	Full Time	Part Time	FTE	Full Time	Part Time	FTE	
1985 / 86	611	61	324	578	67	306	630
1986 / 87	631	60	331	593	147	327	658
1987 / 88	650	146	346	629	232	349	695

Extension Enrollment

	Students	Courses
1985 / 86	687	48
1986 / 87	746	48
1987 / 88	838	53

Faculty and Staff Summary by Category

	Full Time		Part Time		Total FTE	Full Time Equivalent	
	Head Count	FTE	Head Count	FTE		1986 / 87	1985 / 86
Instructional	59	51.0	55	11.1	62.1	67.2	63.2
Administrative	16	11.8	0	0	11.8	13.5	12.0
Support	25	23.3	120	10.0	33.3	39.4	31.6
TOTAL	100	86.1	175	21.1	107.2	120.1	106.8

NOTE: The calculation of Full Time Equivalent staff was changed in 1987 / 88 to reflect a full fiscal year as the base for full-time staff, rather than the academic year. This calculation results in a slightly lower FTE than the corresponding statistics for previous years.

Library Holdings

	Books	Periodicals	Slides	Micro Materials	Films / Videos
1985 / 86	10,696	91	75,000	398	128
1986 / 87	11,551	82	75,000	416	131
1987 / 88	12,336	81	80,000	446	199

Leased Space *

Year	Gross Area (m^2)
1985 / 86	23,653
1986 / 87	24,754
1987 / 88	24,754

* All space is leased from the Southern Alberta Institute of Technology

AUDITOR'S REPORT

To the Board of Governors of the Alberta College of Art

I have examined the statement of financial position of the Alberta College of Art as at June 30, 1988 and the statements of changes in fund balances, changes in equity in capital assets, reserves and restricted funds for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the College as at June 30, 1988 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Donald D. Salmon
CA
Auditor General

Edmonton, Alberta
October 21, 1988

STATEMENT OF FINANCIAL POSITION
JUNE 30, 1988

ASSETS	1988	1987
Cash	$ 416,325	$ 719,387
Accounts Receivable	76,726	32,391
Inventories	111,684	82,204
Prepaid expenses	32,681	25,973
Capital assets (Note 3)	2,278,782	1,243,551
	$2,916,198	**$2,103,506**

LIABILITIES, EQUITY AND FUND BALANCES

Accounts payable	$ 295,307	$ 153,088
Deferred revenue (Note 4)	38,961	83,150
	334,268	236,238
Equity in capital assets	2,278,782	1,243,551
Fund balances		
Operating	204,123	212,158
Capital	(275,283)	161,613
Restricted	279,308	194,946
	208,148	568,717
Reserves	95,000	55,000
	303,148	623,717
	$2,916,198	**$2,103,506**

The accompanying notes are part of these financial statements.

STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 1988

	Operating	Capital	Restricted	Total 1988	Total 1987
REVENUE					
Grants, Province of Alberta (Note 5)	$5,019,486	$ 742,616	$ 28,328	$5,790,430	$5,495,366
Tuition fees	425,927	-	-	425,927	376,104
Donations	78,049	-	69,361	147,410	68,890
Interest	46,115	5,430	15,843	67,388	57,286
Continuing education fees	78,767	-	-	78,767	49,755
Proceeds from disposal of capital assets	-	5,125	-	5,125	2,300
Other	22,875	-	-	22,875	32,463
	5,671,219	753,171	113,532	6,537,922	6,082,164
EXPENDITURE					
Direct instruction	3,222,284	-	-	3,222,284	2,951,465
Indirect instruction	579,139	-	-	579,139	566,809
Campus operations	481,511	-	-	481,511	435,689
Board and president	240,041	-	-	240,041	379,794
Education management	288,916	-	-	288,916	318,191
Student services	221,326	-	29,170	250,496	220,887
Finance and administration	187,093	-	-	187,093	171,691
Support services	309,296	-	-	309,296	158,387
Continuing education	109,648	-	-	109,648	54,445
Purchase of capital assets	-	1,190,067	-	1,190,067	559,395
	5,639,254	1,190,067	29,170	6,858,491	5,816,753
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE	31,965	(436,896)	84,362	(320,569)	265,411
RESERVES					
Returned to fund balance	55,000	-	-	55,000	-
Appropriated from fund balance	(95,000)	-	-	(95,000)	(55,000)
CHANGES IN FUND BALANCES	(8,035)	(436,896)	84,362	(360,569)	210,411
FUND BALANCES AT BEGINNING OF YEAR	212,158	161,613	194,946	568,717	358,306
FUND BALANCES AT END OF YEAR	**$ 204,123**	**$(275,283)**	**$279,308**	**$208,148**	**$568,717**

STATEMENT OF CHANGES IN EQUITY IN CAPITAL ASSETS
FOR THE YEAR ENDED JUNE 30, 1988

		1988	1987
Balance at beginning of year		$1,243,551	$1,201,398
Add:	Purchase of capital assets	1,190,067	559,395
	Appraised value of permanent art collection additions	-	11,980
		2,433,618	1,772,773
Less:	Cost of capital asset disposals	8,942	13,300
	Write-off of capital assets	11,677	345,017
	Capital fund expenditures not capitalized	134,217	170,905
		154,836	529,222
Balance at end of year		**$2,278,782**	**$1,243,551**

STATEMENT OF RESERVES
FOR THE YEAR ENDED JUNE 30, 1988

	Balance Beginning of Year	Returned to Fund Balance	Appropriated From Fund Balance	Balance at End of Year
Personnel expenses	$ 55,000	$ (55,000)	$ -	$ -
Early retirement incentive	-	-	95,000	95,000
	$55,000	**$(55,000)**	**$95,000**	**$95,000**

STATEMENT OF RESTRICTED FUNDS
FOR THE YEAR ENDED JUNE 30, 1988

	Balance at Beginning of Year	Add Revenue	Deduct Expenditure	Balance at End of Year
Endowment funds:				
Principal	$182,995	$ 78,689	$ -	$261,684
Expendable	10,567	15,843	13,720	12,690
	193,562	94,532	13,720	274,374
Scholarships	1,384	19,000	15,450	4,934
	$194,946	**$113,532**	**$29,170**	**$279,308**

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1988

Note 1 Authority

The Alberta College of Art operates under the authority of the Colleges Act, Chapter C-18, Revised Statutes of Alberta 1980, as amended.

Note 2 Summary of Significant Accounting Policies

(a) General

These financial statements have been prepared in accordance with generally accepted accounting principles except that capital assets are not depreciated.

(b) Fund Accounting

The accounts of the College are maintained in accordance with the principles of fund accounting.

For financial reporting purposes, accounts with similar characteristics have been combined into the following major fund groupings:

- *Operating*
- *Capital*
- *Restricted*

(c) Inventories

Inventories of supplies are valued at the lower of cost or net realizable value, as estimated by management.

(d) Capital Assets

Capital assets acquired since autonomy are recorded at cost except for the permanent art collection which is recorded at appraised value. Capital assets transferred from the Southern Alberta Institute of Technology are recorded at a value agreed between the College and the Southern Alberta Institute of Technology, which is based on original cost.

(e) Deferred Revenue

The College records as deferred revenue the unearned portion of conditional grants and amounts received for programs commencing in the next fiscal year.

Note 3 Capital Assets

Capital assets are summarized as follows:

	1988	1987
Furniture and equipment	$ 928,882	$ 814,009
Leasehold improvements	1,195,558	275,800
Permanent art collection	154,342	153,742
	$2,278,782	$1,243,551

The land and buildings occupied by the College are leased for an indefinite period from the Southern Alberta Institute of Technology.

Note 4 Deferred Revenue

Deferred revenue is summarized as follows:

	1988	1987
Tuition fees	$16,250	$20,865
Cultural grants	22,711	62,285
	$38,961	$83,150

Note 5 Grants, Province of Alberta

Grants from the Province of Alberta are summarized as follows:

	1988	1987
Operating		
Base grant	$5,008,211	$5,042,840
Conditional grants	1,275	2,100
Other grants	10,000	10,000
	5,019,486	5,054,940
Capital		
General capital grants	742,616	384,000
Restricted		
Matching grants	28,328	56,426
	$5,790,430	$5,495,366

Note 6 Comparative Figues

The 1987 figures have been reclassified where necessary to conform to 1988 presentation.

Note 7 Approval of Financial Statements

These financial statements were approved by management.

Alberta College of Art Board of Governors

Dale Simmons, Chairman
Robin Mayor, President

F. Garfield Anderson
Margaret Andrekson
Don Becker
Malcolm Bryce
Wayne Giles
Barbara Joffe
Kate Moslenko
Pauline Prins
Brad Wonnacott